

State of Utah
Administrative Rule Analysis
Revised May 2020

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ____; Amendment <u>X</u> ____; Repeal ____; Repeal and Reenact ____		
Title No. - Rule No. - Section No.		
Utah Admin. Code Ref (R no.):	R307-150	Filing No. (Office Use Only)
Changed to Admin. Code Ref. (R no.):	R	

Agency Information

1. Department:	Utah Department of Environmental Quality	
Agency:	Utah Division of Air Quality	
Room no.:		
Building:	MASOB	
Street address:	195 North 1950 West	
City, state:	Salt Lake City, Utah	
Mailing address:	PO Box 144820	
City, state, zip:	Salt Lake City, Utah, 84114-4820	
Contact person(s):		
Name:	Phone:	Email:
Liam Thrailkill	(801) 536-4419	lthrailkill@utah.gov
Please address questions regarding information on this notice to the agency.		

General Information

2. Rule or section catchline:
R307-150. Emission Inventories.
3. Purpose of the new rule or reason for the change (If this is a new rule, what is the purpose of the rule? If this is an amendment, repeal, or repeal and reenact, what is the reason for the filing?):
<p>Division of Air Quality staff are proposing two amendments to R307-150. The first amendment is to convert all summary only reports to detailed reports. There are certain facilities that currently submit only summary reports, while others submit detailed reports. Staff is proposing to make the amendment so all sources have detailed reports to submit.</p> <p>The second amendment is a new section which incorporates a requirement of the Clean air Act for areas that have been designated as nonattainment for ozone. The State of Utah has three areas that have been designated by the Environmental Protection Agency as marginal nonattainment for ozone and as such are required to have sources of oxides of nitrogen (NOx) and volatile organic compounds (VOCs) provide annual emission statements to the Division of Air Quality. This rule is required to be incorporated into the State of Utah's State Implementation Plan (SIP) within two years of designation and the first emission statements are due three years from designation. Three areas in Utah were designated nonattainment areas for ozone August 3, 2018.</p>
4. Summary of the new rule or change:
<p>For the first amendment, currently, sources subject to R307-150-7 submit facility totals for each pollutant (summary-only facilities), while all other sources submit specific information regarding each piece of permitted equipment (detailed facilities). Point Source staff would like to change this rule so that all sources are required to submit a detailed emissions inventory. Staff believe this will improve the reporting experience for the user, as well as the accuracy of the point source inventory. The point source inventory database, SLEIS, shows users how to calculate a detailed emissions inventory, whereas summary-only facilities have no prompts for completing calculations and usually have to create their own worksheets to determine totals. Once SLEIS has been tailored for each of a facility's emissions units, the following inventory cycles will be significantly easier because the next inventory report is generated from the previous one. Thus, some additional work in the short-term should provide a better experience in the long-term.</p> <p>For the second amendment, this new section requires sources that have the potential to emit 25 tons of either NOx or VOCs provide an annual statement to the Division of Air Quality that documents the total actual emissions of NOx and VOCs for the previous calendar year. The statement had minimal requirements and needs to be certified as true and accurate.</p> <p>A public hearing is set for Monday, August 3, 2020. Interested persons may participate electronically, via the internet:</p> <p>https://meetingsamer15.webex.com/meetingsamer15/j.php?MTID=m5f8ca399000263c519dfa067612596be Meeting number: 126 911 2630</p>

Fiscal Information

5. Aggregate anticipated cost or savings to:

A) State budget:

We do not anticipate any cost to UDAQ, we believe current staff can manage this change, therefore there is no need to hire additional personnel.

B) Local governments:

There are no anticipated costs or savings to local governments as these rule amendments are not applicable to them.

C) Small businesses ("small business" means a business employing 1-49 persons):

There are approximately 50 companies that already report triennial inventories that will now need to report annual summaries, which will take roughly 8-12 hours of work of either a staff member or a consultant to complete. It is estimated of those 50, approximately 25% are small business and the annual total cost to each source would be \$2,000, for a total cost of about \$30,000 for all small sources. As the triennial inventory is due in 2021 as well as the first emission statement, this cost would not occur until 2022.

For the amendment moving from summary-only reports to detailed inventory reports, it is possible that a small business would need to hire contract work to track and report the emissions, though staff expects most businesses to be able to absorb the workload with current personnel. The estimation is that, of the roughly 300 businesses going from summary to detail reports, 50 will hire outside work to complete the task, costing each small business \$2,000. The belief is that after the first year of the detailed reporting, most, if not all, of the small businesses will be able to complete the detailed report themselves without needing contracting work. Staff will be open to working with sources throughout the process to answer questions, as well. This cost will be incurred in 2021, when the first detailed report will be due.

D) Non-small businesses ("non-small business" means a business employing 50 or more persons):

An estimated 75% of the 50 businesses who will now need to report annually are expected to be non-small businesses. As the business may be more complex, it is estimated that 12-20 hours of staff time or consultant work will be needed with an estimated total cost to all of \$50,000. Some non-small businesses may be able to absorb this additional reporting with current staff, whereas some may need to hire out the work. Due to the triennial inventory being due in 2021, this additional cost would not incur until 2022. Currently, there are an estimated three businesses in Tooele County that were not required to report an emission inventory under current rules that will now have to establish an emission inventory. This initial cost is estimated at \$8,000 for all three combined. Another \$1,500 each per year is estimated to report the inventories. The cost to these non-small businesses will be incurred in 2021.

For the amendment of moving from summary only to a detailed inventory report, staff expects businesses this large to either already have personnel tracking these emissions, or be able to absorb the workload of tracking and reporting with current personnel.

E) Persons other than small businesses, non-small businesses, state, or local government entities ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

These rule amendments are not directly applicable to persons other than small businesses, non-small businesses, state, or local government entities.

F) Compliance costs for affected persons:

Should any business fail to submit their emissions inventory report by the due date, compliance action may be taken.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table			
Fiscal Cost	FY2021	FY2021	FY2022
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$100,000	\$30,000	\$50,000
Non-Small Businesses	\$8,000	\$54,500	\$54,500
Other Persons	\$0	\$0	\$0
Total Fiscal Cost	\$108,000	\$84,500	\$104,500
Fiscal Benefits			
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0

Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head approval of regulatory impact analysis:

The Executive Director of the Department of Environmental Quality, L. Scott Baird, has reviewed and approved this fiscal analysis.

6. A) Comments by the department head on the fiscal impact this rule may have on businesses:

The amendments to this rule will result in fiscal costs for both small and non-small businesses. The plan is for the Division of Air Quality to have staff work with the businesses in every way possible to help limit and, when possible, eliminate these costs by assisting in the completion of their emission inventories. The heightened frequency of inventory reporting may cost businesses in the short-run to hire outside consulting, but the objective is to assist all businesses so they may be able to handle these additional reporting requirements with their current staff in the future.

B) Name and title of department head commenting on the fiscal impacts:

L. Scott Baird, Executive Director of the Department of Environmental Quality.

Citation Information

7. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws. State code or constitution citations (required):

19-2-104(1)(c)		

Incorporations by Reference Information

(If this rule incorporates more than two items by reference, please include additional tables.)

8. A) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

	First Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

B) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

	Second Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

Public Notice Information

9. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until (mm/dd/yyyy): 08/03/2020

B) A public hearing (optional) will be held:

On (mm/dd/yyyy):	At (hh:mm AM/PM):	At (place):
08/03/2020	09:00 AM MST	Multi Agency State Office Building Division of Air Quality, Fourth Floor

		195 N 1950 W Salt Lake City, UT 84116

10. This rule change MAY become effective on (mm/dd/yyyy): 09/03/2020

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 10, the agency must submit a Notice of Effective Date to the Office of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Agency Authorization Information

To the agency: Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin*, and delaying the first possible effective date.

Agency head or designee, and title:	Bryce Bird	Date (mm/dd/yyyy):	05/18/2020
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R307. Environmental Quality, Air Quality.

R307-150. Emission Inventories.

R307-150-1. Purpose and General Requirements.

(1) The purpose of Rule R307-150 is:

(a) to establish by rule the time frame, pollutants, and information that sources must include in inventory submittals; and
(b) to establish consistent reporting requirements for stationary sources in Utah to determine whether sulfur dioxide emissions remain below the sulfur dioxide milestones established in the State Implementation Plan for Regional Haze, section XX.E.1.a, incorporated by reference in Section R307-110-28.

(2) The requirements of Rule R307-150 replace any annual inventory reporting requirements in approval orders or operating permits issued prior to December 4, 2003.

(3) Emission inventories shall be submitted on or before ~~[ninety days following the effective date of this rule and thereafter on or before]~~ April 15 of each year following the calendar year for which an inventory is required. The inventory shall be submitted in a format specified by the Division of Air Quality following consultation with each source.

(4) The executive secretary may require at any time a full or partial year inventory upon reasonable notice to affected sources when it is determined that the inventory is necessary to develop a state implementation plan, to assess whether there is a threat to public health or safety or the environment, or to determine whether the source is in compliance with Title R307.

(5) Recordkeeping Requirements.

(a) Each owner or operator of a stationary source subject to this rule shall maintain a copy of the emission inventory submitted to the Division of Air Quality and records indicating how the information submitted in the inventory was determined, including any calculations, data, measurements, and estimates used. The records under Section R307-150-4 shall be kept for ten years. Other records shall be kept for a period of at least five years from the due date of each inventory.

(b) The owner or operator of the stationary source shall make these records available for inspection by any representative of the Division of Air Quality during normal business hours.

R307-150-2. Definitions.

The following additional definitions apply to Rule R307-150.

"Acute pollutant" means any noncarcinogenic air pollutant for which a threshold limit value - ceiling (TLV-C) has been adopted by the American Conference of Governmental Industrial Hygienists in its "Threshold Limit Values for Chemical Substances and Physical Agents and Biological Exposure Indices," 2003 edition.

"Carcinogenic pollutant" means any air pollutant that is classified as a known human carcinogen (A1) or suspected human carcinogen (A2) by the American Conference of Governmental Industrial Hygienists in its "Threshold Limit Values for Chemical Substances and Physical Agents and Biological Exposure Indices," 2003 edition.

"Chronic Pollutant" means any noncarcinogenic air pollutant for which a threshold limit value - time weighted average (TLV-TWA) having no threshold limit value - ceiling (TLV-C) has been adopted by the American Conference of Governmental Industrial Hygienists in its "Threshold Limit Values for Chemical Substances and Physical Agents and Biological Exposure Indices," 2003 edition.

"Dioxins" and "Furans" mean total tetra- through octachlorinated dibenzo-p-dioxins and dibenzofurans.

"Emissions unit" means emissions unit as defined in Section R307-415-3.

"Large Major Source" means a major source that emits or has the potential to emit 2500 tons or more per year of oxides of sulfur, oxides of nitrogen, or carbon monoxide, or that emits or has the potential to emit 250 tons or more per year of PM₁₀, PM_{2.5}, volatile organic compounds, or ammonia.

"Lead" means elemental lead and the portion of its compounds measured as elemental lead.

"Major Source" means major source as defined in Section R307-415-3.

R307-150-3. Applicability.

(1) Section R307-150-4 applies to all stationary sources with actual emissions of 100 tons or more per year of sulfur dioxide in calendar year 2000 or any subsequent year unless exempted in Subsection R307-150-3(1)(a). Sources subject to Subsection R307-150-4 may be subject to other sections of Rule R307-150.

(a) A stationary source that meets the requirements of Subsection R307-150-3(1) that has permanently ceased operation is exempt from the requirements of Section R307-150-4 for all years during which the source did not operate at any time during the year.

(b) Notwithstanding Subsection R307-150-3(1)(a), beginning with 2016 emissions, the Division of Air Quality will include emissions of 8,005 tons ~~per year~~^{per yr} of sulfur dioxide for the Carbon Power Plant in the annual regional sulfur dioxide milestone report required as part of the Regional Haze State Implementation Plan.

(c) Except as provided in Subsection R307-150-3(1)(a), any source that meets the criteria of Subsection R307-150-3(1) and that emits less than 100 tons per year of sulfur dioxide in any subsequent year shall remain subject to the requirements of Section R307-150-4 until 2018 or until the first control period under the Western Backstop Sulfur Dioxide Trading Program as established in Subsection R307-250-12(1)(a), whichever is earlier.

(2) Section R307-150-5 applies to large major sources.

(3) Section R307-150-6 applies to:

(a) each major source that is not a large major source;

(b) each source with the potential to emit 5 tons or more per year of lead; ~~and~~

(c) each source not included in Subsections R307-150-3(2), R307-150-3(3)(a), or R307-150-3(3)(b) that is located in Davis, Salt Lake, Utah, or Weber Counties and that has the potential to emit 25 tons or more per year of any combination of oxides of nitrogen, oxides of sulfur and PM₁₀, or the potential to emit 10 tons or more per year of volatile organic compounds; and[-]

(d) each Part 70 source not included in Subsections R307-150-3(2), R307-150-3(3)(a), R307-150-3(3)(b), or R307-150-3(3)(c).

~~[(4) R307-150-7 applies to Part 70 sources not included in R307-150-3(2) or R307-150-3(3).]~~

~~[(4)(5)]~~ Section R307-150-8[9] applies to sources with Standard Industrial Classification codes in the major group 13 that have uncontrolled actual emissions greater than one ton per year for a single pollutant of PM₁₀, PM_{2.5}, oxides of nitrogen, oxides of sulfur, carbon monoxide or volatile organic compounds. These sources include, but are not limited to, industries involved in oil and natural gas exploration, production, and transmission operations; well production facilities; natural gas compressor stations; and natural gas processing plants and commercial oil and gas disposal wells, and ponds.

(a) Sources that require inventory submittals under Subsections R307-150-3(1) through R307-150-3[(4)](3) are excluded from the requirements of Section R307-150-8[9]

(5) Section R307-150-9 applies to stationary sources located in a designated ozone nonattainment area that have the potential to emit oxides of nitrogen or volatile organic compounds greater than 25 tons per year.

R307-150-4. Sulfur Dioxide Milestone Inventory Requirements.

(1) Annual Sulfur Dioxide Emission Report.

(a) Sources identified in Subsection R307-150-3(1) shall submit an annual inventory of sulfur dioxide emissions beginning with calendar year 2003 for all emissions units including fugitive emissions.

(b) The inventory shall include the rate and period of emissions, excess or breakdown emissions, startup and shut down emissions, the specific emissions unit that is the source of the air pollution, type and efficiency of the air pollution control equipment, percent of sulfur content in fuel and how the percent is calculated, and other information necessary to quantify operation and emissions and to evaluate pollution control efficiency. The emissions of a pollutant shall be calculated using the source's actual operating hours, production rates, and types of materials processed, stored, or combusted during the inventoried time period.

(2) Each source subject to Section R307-150-4 that is also subject to 40 CFR Part 75 reporting requirements shall submit a summary report of annual sulfur dioxide emissions that were reported to the Environmental Protection Agency under 40 CFR Part 75 in lieu of the reporting requirements in (1) above.

(3) Changes in Emission Measurement Techniques. Each source subject to Section R307-150-4 that uses a different emission monitoring or calculation method than was used to report their sulfur dioxide emissions in 2006 under Rule R307-150 or 40 CFR Part 75 shall adjust their reported emissions to be comparable to the emission monitoring or calculation method that was used in 2006. The calculations that are used to make this adjustment shall be included with the annual emission report.

R307-150-5. Sources Identified in R307-150-3(2), Large Major Source Inventory Requirements.

(1) Each large major source shall submit an emission inventory annually beginning with calendar year 2002. The inventory shall include PM₁₀, PM_{2.5}, oxides of sulfur, oxides of nitrogen, carbon monoxide, volatile organic compounds, and ammonia for all emissions units including fugitive emissions.

(2) For every third year beginning with 2005, the inventory shall also include all other chargeable pollutants and hazardous air pollutants not exempted in Section R307-150-7[8].

(3) For each pollutant specified in (1) or (2) above, the inventory shall include the rate and period of emissions, excess or breakdown emissions, startup and shut down emissions, the specific emissions unit that is the source of the air pollution, composition of air pollutant, type and efficiency of the air pollution control equipment, and other information necessary to quantify operation and emissions and to evaluate pollution control efficiency. The emissions of a pollutant shall be calculated using the source's actual operating hours, production rates, and types of materials processed, stored, or combusted during the inventoried time period.

R307-150-6. Sources Identified in R307-150-3(3).

(1) Each source identified in Subsection R307-150-3(3) shall submit an inventory every third year beginning with calendar year 2002 for all emissions units including fugitive emissions.

(a) The inventory shall include PM₁₀, PM_{2.5}, oxides of sulfur, oxides of nitrogen, carbon monoxide, volatile organic compounds, ammonia, other chargeable pollutants, and hazardous air pollutants not exempted in Section R307-150-7[8].

(b) For each pollutant, the inventory shall include the rate and period of emissions, excess or breakdown emissions, startup and shut down emissions, the specific emissions unit which is the source of the air pollution, composition of air pollutant, type and efficiency of the air pollution control equipment, and other information necessary to quantify operation and emissions and to evaluate pollution control efficiency. The emissions of a pollutant shall be calculated using the source's actual operating hours, production rates, and types of materials processed, stored, or combusted during the inventoried time period.

(2) Sources identified in Subsection R307-150-3(3) shall submit an inventory for each year after 2002 in which the total amount of PM₁₀, oxides of sulfur, oxides of nitrogen, carbon monoxide, or volatile organic compounds increases or decreases by 40 tons or more per year from the most recently submitted inventory. For each pollutant, the inventory shall meet the requirements of Subsections R307-150-6(1)(a) and (b).

~~R307-150-7. Sources Identified in R307-150-3(4), Other Part 70 Sources.~~

- ____ (1) Sources identified in R307-150-3(4) shall submit the following emissions inventory every third year beginning with calendar year 2002 for all emission units including fugitive emissions.
- ____ (2) Sources identified in R307-150-3(4) shall submit an inventory for each year after 2002 in which the total amount of PM₁₀, oxides of sulfur, oxides of nitrogen, carbon monoxide, or volatile organic compounds increases or decreases by 40 tons or more per year from the most recently submitted inventory.
- ____ (3) The emission inventory shall include individual pollutant totals of all chargeable pollutants not exempted in R307-150-8.]

R307-150-7[8]. Exempted Hazardous Air Pollutants.

- (1) The following air pollutants are exempt from this rule if they are emitted in an amount less than that listed in Table 1.

TABLE 1

POLLUTANT	Pounds/year
Arsenic	0.21
Benzene	33.90
Beryllium	0.04
Ethylene oxide	38.23
Formaldehyde	5.83

(2) Hazardous air pollutants, except for dioxins or furans, are exempt from being reported if they are emitted in an amount less than the smaller of the following:

- (a) 500 pounds per year; or
- (b) for acute pollutants, the applicable TLV-C expressed in milligrams per cubic meter and multiplied by 15.81 to obtain the pounds-per-year threshold; or
- (c) for chronic pollutants, the applicable TLV-TWA expressed in milligrams per cubic meter and multiplied by 21.22 to obtain the pounds-per-year threshold; or
- (d) for carcinogenic pollutants, the applicable TLV-C or TLV-TWA expressed in milligrams per cubic meter and multiplied by 7.07 to obtain the pounds-per-year threshold.

R307-150-8[9]. Crude Oil and Natural Gas Source Category.

- (1) Sources identified in Subsection R307-150-3(4[5]) shall submit an inventory every third year beginning with the 2017 calendar year for all emission units.
- (a) The inventory shall include the total emissions for PM₁₀, PM_{2.5}, oxides of sulfur, oxides of nitrogen, carbon monoxide and volatile organic compounds for each emission unit at the source. The emissions of a pollutant shall be calculated using the emission unit's actual operating hours, product rates, and types of materials processed, stored, or combusted during the inventoried time period.
 - (b) The inventory shall include the type and efficiency of air pollution control equipment.
 - (c) The inventory shall be submitted in an electronic format determined by the Director specific to this source category.

R307-150-9. Annual Ozone Emission Statement.

- (1) Beginning in the year 2021, sources identified in Subsection R307-150-3(5) shall submit an ozone emission statement to the Division of Air Quality annually by April 15 of each year for the previous year's emissions.
- (2) A source required to submit an emission statement shall provide the following minimum information:
- (a) a certification that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement;
 - (b) the physical location where actual emissions occurred;
 - (c) the name and address of person or entity operating or owning the source;
 - (d) the nature of the source; and
 - (e) the total actual emissions of oxides of nitrogen and volatile organic compounds in tons per year for each emission unit.
- (3) Emission statements shall be submitted in an electronic format determined by the Director.

KEY: air pollution, reports, inventories

Date of Enactment or Last Substantive Amendment: June 25, 2019

Notice of Continuation: November 13, 2018

Authorizing, and Implemented or Interpreted Law: 19-2-104(1)(c)